



Labor & Economic Briefing

David C. Hollister, Director

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Here is a summary of headlining accomplishments from our first 30 days:

Encouraging Economic & Urban Development

Global Engine Alliance Expansion: Assistance from the MEDC helped convince Global Engine Alliance, LLC to choose Dundee, Michigan, as its site of preference to locate a new automotive engine manufacturing facility. The new plant should generate 1,136 jobs, including 172 new jobs in its first year. The project is expected to result in a **\$375 million initial investment**. Global Engine Alliance is a joint venture between DaimlerChrysler, Hyundai, and Mitsubishi. The facility will produce a new family of 4-cylinder aluminum engines to be used in vehicles from all three automotive partners.

AutoAlliance Reinvestment: AutoAlliance International, Inc., a joint venture between Ford Motor Company and Mazda Motor Corporation, announced recently that it is bringing a new product line to production in Flat Rock as a result of assistance from the MEDC. The expansion will secure up to 9,673 jobs for Michigan workers. AutoAlliance International plans to invest approximately **\$644 million** in new machinery and equipment to prepare its existing Flat Rock manufacturing facility for new vehicle production. The all-new 2005 Ford Mustang will be built at the facility, along with the new Mazda6 sports sedan.

General Motors Willow Run Reinvestment: General Motors announced in January plans to produce a new line of rear wheel drive transmissions at its Willow Run facility in Ypsilanti due to an MEDC incentive package. GM will **invest up to \$300 million** to equip the plant for production of the new transmissions. This project will retain a total of 3,510 jobs in the state by the year 2024, including up to 850 directly by the company, depending on the success of the new product.

Business Facilities Economic Achievement Awards: Business Facilities magazine presented the MEDC with four Economic Development Achievement Awards - an unprecedented showing in the annual awards. The MEDC received first place or gold awards in the categories of Statewide Economic Development Strategy, Targeted Economic Development Initiative - (Life Sciences Corridor), Corporate Citizenship - (General Motors' investment in the Renaissance Center area) and Workforce Training Initiatives/Special Programs - (Michigan Technical Education Centers).

Small Business Development Center Technology Designation: In February, it was announced that the Michigan Small Business Development Center (MI-SBDC) network became one of only two SBDC networks in the nation to be awarded the coveted national technology designation from the U.S. Small Business Administration. To receive this designation the statewide network had to prove a strong commitment to the allocation of both human and financial resources to serve technology-based small businesses. The MI-SBTDC staff worked in partnership with the MEDC to deliver services in the area of growing technology-based companies.

Protecting Worker Safety

New "Workplace Security" Brochure. The CIS Bureau of Safety & Regulation, which administers the Michigan Occupational Safety & Health Act (MIOSHA), is offering a new brochure: "Workplace Security Resource Guide." The brochure was developed in response to many requests for information received by the bureau after the September 11th World Trade Center and Pentagon attacks, and numerous anthrax scares. The Consultation Education & Training (CET) Division developed this brochure not to create new workplace standards or requirements, but to provide information and guidance for Michigan employers. To receive copies of the brochure, contact the Consultation Education & Training Division at 517.322.1809.

Rising Star Award Presented for Workplace Safety and Health. CIS presented the Rising Star award to TRW Automotive Commercial Steering Systems' Portland facility to recognize the company for working toward excellence in workplace safety and health.



Governor
Jennifer M.
Granholm

Assisting Jobless Workers

Bureau of Workers' & Unemployment Compensation Launches Customer Service Improvements. The Bureau of Workers' & Unemployment Compensation took the following steps to improve customer service:

- ♦ The Bureau of Workers' & Unemployment Compensation opened six walk-in help centers in Dearborn, Detroit, Grand Rapids, Lansing, Madison Heights and Saginaw to give immediate assistance to jobless workers who are having problems with or questions about their unemployment claims. During their first 19 days of operation, the six centers have helped 45,900 unemployed workers with their claims.
- ♦ Jobless workers in Northern Michigan began filing claims for additional unemployment benefits by telephone. Workers can now file by calling a special toll-free telephone number (1-866-500-0017). The bureau is working to expand the system to allow new claims to be filed and to accept claims statewide by later this year.
- ♦ Before the end of January, the bureau had identified and mailed applications, certification forms or notices to four different groups of jobless workers who may qualify for federal Temporary Extended Unemployment Compensation (TEUC). Among the groups were 52,000 jobless workers who were still eligible to collect TEUC when the program ended on December 28. Congress and the President authorized continuation of the TEUC program on January 8.
- ♦ The bureau officially announced the opening of its Internet filed claims process. By visiting the bureau's website (www.michigan.gov/bwuc), jobless workers can file new or additional unemployment claims. New claims, however, are limited to those who have worked for only one employer over the previous 18 months.
- ♦ Operating hours for the bureau's claimant hotline were extended to 9:00 p.m. Callers can now call the toll-free hotline number (1-800-638-3995) from 7:00 a.m. to 9:00 p.m., Monday through Friday. In addition, a recorded message now greets callers with answers to some of the more frequently asked questions. The greeting is in lieu of a busy signal. The bureau also boosted the number of staff answering the hotline to 63.
- ♦ The bureau has been authorized and has begun the process of interviewing, hiring and training approximately 150 permanent intermittent staff to work at its call centers, walk-in centers and hotline. In addition, the bureau has temporarily retained the services of 87 retired BWUC employees.

Career Development Workforce Transition Assists Displace Workers. The Workforce Transition Section (WTS) responded to all 30 instances of planned plant closure or mass layoff in January. Contact was made to employers and their bargaining unit representatives in response to receipt of a WARN notice, letter, phone call, newspaper article, or other means of notification. A brief overview of available dislocated worker services was given, and depending on the number of jobs impacted, a formal on site rapid response meeting was scheduled or arrangements were made for the local Michigan Works! Agency to meet with the affected employees to provide information on services that are available. Four Rapid Response meetings were held in January in response to notification of either a plant closure or mass layoff. During the month of January, 2003, 15 Trade petitions were received in the WTS. Petitions were checked for completeness/accuracy; logged in for internal tracking; and forwarded to the U. S. Department of Labor for investigation and determination. Eleven information meetings were held in various areas of the state for workers certified under one of four petitions.

Making Homeownership Affordable

MSHDA Reduces Interest Rates to Lowest Rate Ever. The Michigan State Housing Development Authority (MSHDA) reduced the interest rates on its home mortgage loans to its lowest rate ever, in an effort to make homeownership more affordable. MSHDA is financing loans to modest-income homebuyers at an interest rate of 5.25 percent, with no discount points charged at loan closing. The rate will be available through March 14. Also for the first time, homebuyers can fill out a pre-qualification application on MSHDA's website, <http://www.mshda.org>.

Protecting Consumers

OFIS Recovers More Than \$1.4 Million for Michigan Consumers in Mortgage Complaints. The Michigan Office of Financial and Insurance Services announced it assisted consumers in 964 mortgage lending complaints and recovered more than \$1.4 million on their behalf in 2002. This figure doesn't include OFIS efforts on behalf of consumers in the Household Finance Corporation settlement, which will yield more than \$15 million in restitution in March. Further, OFIS initiated over 60 mortgage examinations and reviews for the year on behalf of consumers. More than a third of the examinations were in response to consumer allegations of fraudulent conduct by the mortgage company. Other reasons for examinations included financial concerns, unlicensed activities and advertising conflicts.

Providing Energy Assistance to Low-Income Michiganders

Public Service Commission Speeds Up Grant Process for Low-Income Energy Assistance. The Michigan Public Service Commission (MPSC) accelerated the process for low-income energy assistance grants at a time when cold temperatures have resulted in higher heating bills, leaving many low-income residents facing utility shutoffs. The move will expedite up to \$20 million in grant funds. Normally, the request for the submission of grant proposals would not take place until the fall of this year. The MPSC issued an order (Case No. U-13129) requesting that grant proposals be submitted to the Commission on or before February 19. The Commission will review the proposals and approve the grants at a special meeting later this month. In awarding grants, significant consideration will be given to grantees that are able to efficiently reach large number of citizens quickly, such as non-profit organizations and the Family Independence Agency.

Investing in Energy Research & Education

\$5,000 Energy Grants Awarded to GVSU and Calhoun Conservation District. The CIS Energy Office awarded a \$5,000 grant to Grand Valley State University and Calhoun Conservation District through the Michigan Biomass Energy Program (<http://michiganbioenergy.org>). The GVSU grant will be used for the Annis Water Resources Institute to educate Michigan students, marina operators and boaters about the use of use of biodiesel fuel in its research vessel, the W. G. Jackson. The Calhoun Conservation District grant will help educate Michigan teachers, students and farmers about biomass energy in Calhoun County, which is 60 percent farmland. The Calhoun Conservation District will be expanding an existing renewable energy education program to include biomass energy information.

More Than \$54,000 Awarded in Grants to Encourage Schools & Municipalities to Use Biodiesel Fuels. The CIS Energy Office awarded more than \$54,000 in grants to the City of Ann Arbor and five Michigan school districts to demonstrate the use and benefits of biodiesel fuel locally. The recipients and grant amounts: City of Ann Arbor - \$10,000; Ann Arbor Public Schools - \$10,000; Fowlerville Community Schools - \$7,248; Manchester Community Schools - \$6,830; St. Johns Public Schools - \$10,000; and Zeeland Public Schools - \$10,000. The projects will include an educational campaign by fleet operators to increase public awareness about the viability of operating school buses and municipal fleets on biodiesel fuel. The grants, which are funded by a federal program, support Michigan's participation in the U.S. Department of Energy Clean Cities program. Increasing the use of biodiesel fuel will reduce harmful tailpipe emissions and provide air quality benefits to communities and especially the children and drivers who ride biodiesel fueled school buses.

Using Technology to Enhance Government Services

New Asbestos Website Feature Will Reduce Costs and Protect Workers. The first-ever interactive "real time" program data became available on the Bureau of Safety and Regulation's (BSR) website to offer employers the opportunity to make a good-faith effort to hire properly trained, qualified employees. The BSR Asbestos Program's web page, located at www.michigan.gov/asbestos, has added the "Verify and Search" data base research function. The website enhancement will save employers valuable time since they previously had to call or visit the office to obtain the information. The Asbestos Program's primary function is to ensure that people working with asbestos are properly trained and that individuals performing asbestos removal comply with rules governing the work activity. Since it will allow contractors an easy means to verify and hire trained and accredited employees, they can potentially avoid violations and fines and conduct better quality abatement projects. This new information will also help Asbestos compliance investigators in the field to immediately verify contractor and employee information.

Providing Career Development Resources

More Than 2,200 Attend 2003 Governor's Conference on Career Development. More than 2,200 educators, counselors, employers, and business and community leaders attended the annual conference held Feb. 3-5 in Grand Rapids. The conference theme was "Meeting the Competitive Challenge: Skills for the 21st Century." Two keynote speakers were featured: Ed Barlow, President of Creating the Future, Inc., who discussed strategic planning for Michigan's economic future; and Isaiah McKinnon, Director of Global Security for Compuware Corporation and former Chief of Police of the City of Detroit, who discussed the importance and responsibility everyone has in educating children and preparing them for the future. Additionally, six honorees were presented with the Governor's Excellence in Practice Award. The award recognizes outstanding employer/educator partnerships that exemplify best practices in preparing students for careers.

Office of Career and Technical Preparation Posts Grants. The Office of Career and Technical Preparation (OCTP) posted 2003-2004 grant application materials for Carl Perkins Career and Technical Education federal grants, Tech Prep Education federal grants, and Career Preparation state funds. Applications are due May 1, 2003.

Office of Career and Technical Preparation Enters Partnership. The Office of Career and Technical Preparation has entered into a partnership with ComputerPREP, a division of Prosoft Training, to assist CTE teachers in offering industry-standard certification to high school students in Certified Internet Webmaster (CIW) and Microsoft Office Specialist (MOS). Through the partnership, the state has licensed the CIW and MOS course content and instructor materials that allow the schools to access the curriculum at a greatly reduced price.

Gender Equity Promising Practices Summit. On February 11, 2003, OCTP hosted the Third Annual Michigan Gender Equity Promising Practices Summit - Efforts Toward Equity in Career Training Programs in Kalamazoo. It was a train-the trainer workshop focusing on creating, maintaining, and improving environments to increase retention and completion of students in career training programs nontraditional for their gender.

Nearly 40,000 New Resumes Posted on Michigan Talent Bank. Nearly 40,000 new resumes were posted on the Michigan Talent Bank bringing the total number of searchable resumes to 615,209. Approximately 1,000 new businesses registered on the site with 52,003 active registered businesses now online. There were 6,187 new job orders placed and 17,764 new job openings.

Michigan Workforce Investment Board Convenes. The Michigan Workforce Investment Board (MWIB) convened for the first time this calendar year on February 5 in conjunction with the 2003 Governor's Conference on Career Development in Grand Rapids. The topics of discussion included labor market information, plant closings and mass layoffs, and administration transition. Twenty-eight MWIB members were in attendance.

Michigan Rehabilitation Services Assists Residents. The Michigan Rehabilitation Services (MRS) provided the following services to Michigan residents in January:

- ♦ Assisted 646 people with disabilities into employment;
- ♦ Provided job-related services, such as vocational counseling and training, to a total of 1,059 people who are preparing to enter the workforce;
- ♦ Provided services to 93 businesses in Michigan, which included referring persons with disabilities for employment and helping employers retain workers at risk of losing their jobs because of illness or disability.

Michigan Works! Alumni Celebration Held in Lansing. The 2003 Michigan Works Alumni Celebration was held at the State Capitol on Feb. 5th. Each year the Michigan Works! Association hosts a celebration honoring outstanding graduates of our workforce development programs. The individuals honored were those who successfully entered the workforce and became independent. The event recognizes these individuals, as well as the employers who provide employment opportunities.